### REMARKS

## I. INTRODUCTION

In response to the Office Action dated October 2, 2006, claims 1, 2, 3, 5, 6, 11, 12 and 14 have been amended. Claims 1-14 remain in the application. Entry of these amendments, and reconsideration of the application, as amended, is requested.

### II. CLAIM AMENDMENTS

Applicants' attorney has made amendments to the claims as indicated above. These amendments were made solely for the purpose of clarifying the language of the claims, and were not required for patentability or to distinguish the claims over the prior art.

## III. PRIOR ART REJECTIONS

## A. The Office Action Rejections

On pages (2)-(3) of the Office Action, claims 12 and 14 were rejected under 35 U.S.C. §102(e) as being anticipated by U.S. Patent No. 6,484,380 (Graef). On pages (3)-(8) of the Office Action, claims 1-11 and 13 were rejected under 35 U.S.C. §103(a) as being obvious in view of the combination of Graef and U.S. Patent No. 6,029,971 (Lynch).

Applicants' attorney respectfully traverses these rejections.

## B. The Graef Reference

Graef describes an automated banking machine (10) including sheet dispensing mechanisms (34, 36, 38, 40). Each sheet dispensing mechanism includes a picking member (72). The picking member rotates, with each rotation generally causing one sheet to be picked from a stack (42) of sheets. The picking member includes movable engaging portions supported on arcuate segments (128, 144). The engaging portions move radially outward to apply additional moving force to an end note bound in the stack responsive to movement of the picking member exceeding the movement of the end note: Sheets are carried in the machine by a transport (54) including a plurality of belt flights (174, 176, 178). Sheets are carried between the belt flights and projecting member portions (180, 182). At least one of the belt flights includes a plurality of longitudinally spaced projections (194, 200, 204, 207) on a sheet engaging surface thereof. The

projections provide improved engagement with sheets moving in the transport enabling more reliable movement of sheets.

## C. The Lynch Reference

Lynch describes a belt displacement operation periodically carried by the pick mechanism 11 of a sheet feeding apparatus, when the number of sheets fed has reaches a predetermined value. The motor 34 is driven in reverse for a predetermined time, so as to cause rotation of the belt 28 in the opposite direction to that during feeding. Since the pick pulley 26 is supported on the shaft 38 by means of a one-way clutch 40 so that it does not rotate during the reverse rotation of the belt 28, displacement of the belt 28 occurs relative to the pick pulley 26, so that in subsequent pick operations, a different portion of the belt 28 engages the stack 18 so as to pick a sheet, than had displacement of the belt 28 not occurred. This reduces the risk of localized portions of the belt 28 becoming more worn than others, due to more frequent engagement with the stack 18.

# D. The Applicants' Invention is Patentable Over the References

In rejecting Applicants' claimed invention, the Office Action makes the following assertions:

### Response to Arguments

Applicant's arguments filed 7/25/2006 have been fully considered but they are not persuasive.

With regard to claims 12 and 14, the Applicant argues that the canisters disclosed by Graef are non-analogous to the plurality of media storage locations recited by the applicant, specifically with regard to the orientation of the containers. The applicant refers to Figure 1 of his specification. However the claims merely recite "a plurality of media containers," with no other limiting features. The MPEP states that during patent examination, the pending claims must be "given their broadest reasonable interpretation" > In re Hyatt, 211 F.3d 1367, 1372, 54 USPQ2d 1664, 1667 (Fed. Cir. 2000). < Applicant always has the opportunity to amend the claims during prosecution, and broad interpretation by the examiner reduces the possibility that the claim, once issued, will be interpreted more broadly than is justified. In re Prater, 415 F.2d 1393, 1404-05, 162 USPQ 541,550-51 (CCPA 1969). Furthermore it has been found that "reading a claim in light of the specification, to thereby interpret limitations explicitly recited in the claim, is a quite different thing from 'reading limitations of the specification into a claim,' to thereby narrow the scope of the claim by implicitly

adding disclosed limitations which have no express basis in the claim." Since Graef clearly disclosing a plurality of media containers (Figure 1), the rejection is maintained.

With regards to claims 1 and 6 the applicant argues that the examiner has used improper hindsight reasoning to combine a vacuum pick mechanism and a friction pick mechanism and furthermore that the references do not provide proper motivation to combine. In response to applicant's argument that the examiner's conclusion of obviousness is based upon improper hindsight reasoning, it must be recognized that any judgment on obviousness is in a sense necessarily a reconstruction based upon hindsight reasoning. But so long as it takes into account only knowledge which was within the level of ordinary skill at the time the claimed invention was made, and does not include knowledge gleaned only from the applicant's disclosure, such a reconstruction is proper. See In re McLaughlin, 443 F.2d 1392, 170 USPQ 209 (CCPA 1971). In this case Lynch provides a teaching about the benefits of both types of pick mechanisms, depending on the media dispensed and therefore it would have been obvious to one of ordinary skill in the art at the time of the invention to include the teachings of Lynch to the disclosure of Graef so that an ATM containing multiple media types can distribute the different types of media in the most efficient and practical way possible.

With regards to the applicants argument that a person of ordinary skill in the art upon reading Lynch and Graef would construct a self service terminal with one kind of picking mechanism, the examiner disagrees. A suggestion, teaching, or motivation to combine the relevant prior art teachings does not have to be found explicitly in the prior art, as the teaching, motivation, or suggestion may be implicit from the prior art as a whole, rather than expressly stated in the references. ... The test for an implicit showing is what the combined teachings, knowledge of one of ordinary skill in the art, and the nature of the problem to be solved as a whole would have suggested to those of ordinary skill in the art. In re Kotzab, 217 F.3d 1365, 1370 (Fed. Cir. 2000). In this case, since Lynch discloses the advantages associated with each pick mechanism (Column 1, lines 5-20; vacuum pick for non-porous; friction pick for photocopier sheets, tickets ect) and the examiner asserts that a person of ordinary skill in the art, in light of the problem to be solved (i.e a machine that distributes multiple media), would have found it obvious to include both mechanisms in the same machine to take full advantage of the efficiency of both types. Therefore the rejections of claims 1 and 6 are maintained.

Applicant further states that the Office Action offers a contradiction in that page (5), incorrectly states that Graef teaches a friction pick module, even though the Office Action previously admitted that Graef does not teach a friction pick module. There is no citation as to where the examiner stated that Graef does not teach a friction pick module, and contrary to the Applicant's assertion the examiner admitted that Graef does not teach this feature. The examiner did not make such a statement, but rather has stated explicitly that Graef discloses this feature (Page 4 of Office Action; Reference to Graef Fig 2 and Column 8 line 39-column 10 line 50). Instead the examiner states that Graef does not explicitly

teach a vacuum mechanism, but includes a teaching of Lynch as a reference. The applicants claim that the Office Action is contradictory is erroneous.

Similar arguments (i.e. non-analogous containers, motivation to combine) were presented for the remaining dependent claims, and the examiner refers applicant back to the above arguments in response.

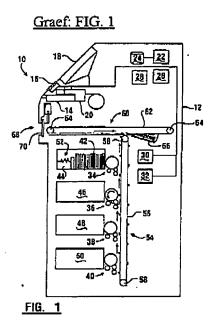
Applicants' attorney disagrees with this analysis.

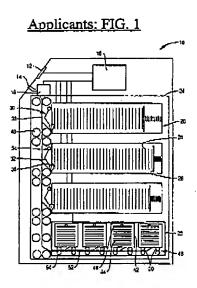
# 1. The rejection of claims 12 and 14 under 35 U.S.C. §102(e) as being anticipated by Graef

With regard to claims 12 and 14, Applicants' attorney was not "reading limitations of the specification into a claim," but instead referenced the specification in order to interpret limitations recited in the claim, and to show that the Office Action was ignoring the definitions of the terms in the claims.

Specifically, Applicants' attorney submits that the Office Action ignores the definitions of "media modules" and "media containers" as recited in Applicants' claims 12 and 14.

Per their respective definitions, the canisters 44, 46, 48 and 50 (shown in Graef's FIG. 1 below) are each analogous to the media module 20 (shown in Applicants' FIG. 1 below), rather than the media module 22 with its plurality of media containers 42 (shown in Applicants' FIG. 1 below), and which is recited in Applicants' claims 12 and 14. none of the canisters 44, 46, 48 and 50 (shown in Graef's FIG. 1 below) contain a plurality of media containers (shown as 42 in Applicants' FIG. 1 below), or have pick mechanisms (shown as 48 in Applicants' FIG. 1 below) associated with each media container.





It is improper for the Office Action to ignore both Applicants' definitions and Graef's definitions when rejecting Applicants' claims, and in doing so, substitute its own (erroneous) definitions for Applicants' definitions and Graef's definitions.

The Office Action also ignores the complete context of the Applicants' claims, when it asserts that "the claims merely recite 'a plurality of media containers,' with no other limiting features."

Instead, Applicants' independent claim 12 recites a <u>media module</u> for use in a self-service terminal containing a plurality of different media modules, the <u>media module comprising</u>: (a) means defining a media transport path; (b) a <u>plurality of media containers</u>; and (c) a <u>friction pick mechanism associated with each media container within the media module</u> for picking media from the media container and transferring the picked media to the media dispense path for transporting the picked media from the media module.

Similarly, Applicants' independent claim 14 recites a method of dispensing media from a self-service terminal containing a plurality of different media modules, the method comprising the steps of: (a) selectively removing media from one of a plurality of media containers disposed within a media module, wherein each of the media containers within the media module include a friction pick mechanism associated with each media container for picking media from the media container and transferring the picked media to a media dispense path for removing the picked media from the media module; and (b) presenting the removed media to a user.

These combinations of elements are not taught or suggested by Graef.

Thus, Applicants' attorney submits that independent claims 12 and 14 are allowable over Graef. Further, dependent claim 13 is submitted to be allowable over Graef in the same manner, because it is dependent on independent claim 12, and thus contains all the limitations of independent claim 12. In addition, dependent claim 13 recites additional novel elements not shown by Graef.

# 2. The rejection of claims 1-11 and 13 under 35 U.S.C. §103(a) as being obvious in view of the combination of Graef and Lynch

With regards to claims 1 and 6, the Office Action admits that the previous Office Action applied hindsight in combining a vacuum pick mechanism and a friction pick mechanism, but states that such hindsight is not improper hindsight. The Office Action asserts that so long as it takes into account only knowledge which was within the level of ordinary skill at the time the claimed invention was made, and does not include knowledge gleaned only from the Applicants' disclosure, such a reconstruction is proper.

Applicants' attorney submits that, in this case, the only knowledge that (objectively) was within the level of ordinary skill at the time the claimed invention was made was Lynch's teaching that sheet feeding apparatus may be either vacuum type or friction type, but not both.

Lynch does not teach that both friction type and vacuum type apparatus are present in the same self service machine. It is the only Office Action itself that supplies this teaching, suggestion or motivation, which means that the admitted hindsight is improper hindsight.

Consider that one of ordinary skill in the art, upon reading Lynch, would construct a self service terminal with only one kind of picking mechanism for different types of media, wherein the picking mechanism is a vacuum type pick.

Moreover, the Office Action's assertion that "[a] suggestion, teaching, or motivation to combine the relevant prior art teachings does not have to be found explicitly in the prior art," is an admission that the teaching, motivation, or suggestion is not found in the art. The Office Action's assertion that "a person of ordinary skill in the art, in light of the problem to be solved (i.e a machine that distributes multiple media), would have found it obvious to include both mechanisms in the same machine to take full advantage of the efficiency of both types," is hindsight and therefore improper.

Thus, Applicants' attorney submits that independent claims 1 and 6 are allowable over Graef in view of Lynch. Further, dependent claims 2-5 and 7-10 are submitted to be allowable over Graef in view of Lynch in the same manner, because they are dependent on independent claims 1, and 6, respectively, and thus contain all the limitations of the independent claims. In addition, dependent claims 2-5 and 7-10 recite additional novel elements not shown by Graef in view of Lynch, as noted in the previous response.

## IV. CONCLUSION

In view of the above, it is submitted that this application is now in good order for allowance and such allowance is respectfully solicited.

# DEC 0 4 2006

Should the Examiner believe minor matters still remain that can be resolved in a telephone interview, the Examiner is urged to call Applicants' undersigned attorney.

Respectfully submitted,

GATES & COOPER LLP Attorneys for Applicants

Howard Hughes Center 6701 Center Drive West, Suite 1050 Los Angeles, California 90045

(310) 641-8797

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GHG/

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Name: George H. Gates

Reg. No.: 33,500